

# Maurice Hinchey NEWS

## 26<sup>TH</sup> CONGRESSIONAL DISTRICT, NEW YORK

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FOR IMMEDIATE RELEASE  
November 14, 2001

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### HINCHEY FIGHTS FOR NEW YORK RECOVERY FUNDS

#### *BUT AMENDMENT IS NARROWLY DEFEATED*

WASHINGTON - U.S. Representative Maurice Hinchey (NY-26) tonight strongly urged his colleagues on the House Appropriations Committee to provide New York State with the \$20 billion it was promised for the September 11 recovery effort. As a member of the House Appropriations Committee, Hinchey spoke on behalf of an amendment to a supplemental appropriations bill. The amendment was defeated on a 31-33 vote.

"Without our amendment this bill does very little for the people who were injured in the attack or those who lost their jobs and health care in the aftermath," said Hinchey. "There is not a single dollar for unemployment benefits or workers' compensation. A very small amount of money in the bill could be used to extend health benefits through COBRA, but there is nothing for the thousands of people who are not COBRA-eligible."

Shortly after the September 11 attacks, the Bush Administration agreed that the federal government would provide \$40 billion to address the attack and its aftermath. These funds were appropriated in a bill that was signed into law on September 18. The law permitted the president to spend half of the \$40 billion within 15 days of the law's enactment, with the second half to be allocated in the bill on which the Appropriations Committee is now working. The agreement with the White House stipulated that \$20 billion of the total \$40 billion appropriated would be used for the recovery effort primarily in New York.

Of the \$20 billion President Bush obligated in the first 15 days, \$3.2 billion was allocated for New York. On October 17 the president issued a request to Congress providing details of his plans for the remaining \$20 billion. In that request, only six billion dollars was slated to go to New York. The bill subsequently drafted by the Republican leadership of the Appropriations Committee essentially mirrors the president's request. Hinchey and the four other New York members of the House Appropriations Committee wrote an amendment to restore New York's assistance to the level promised.

The Bush Administration lobbied Republican members of the Appropriations Committee heavily in an effort to defeat the New York Amendment. The committee began debating the bill and its amendments late this afternoon and continued into the evening.

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The New York Amendment included the following provisions:

- Reimburses COBRA-eligible workers for 100 percent of their health care premiums for twelve months and provides non-COBRA-eligible workers with Medicaid coverage for twelve months. Provides \$1.345 billion for this purpose.
- Establishes the Office of World Trade Center Attack Claims as part of the Federal Emergency Management Agency (FEMA) to expedite claims of individuals and small businesses.
- Allocates \$6.56 billion to FEMA for activities related to the attacks in New York.
- Authorizes 26 additional weeks of unemployment insurance for workers who lost their jobs as a result of the attacks. Provides \$1.16 billion for this purpose.
- Reimburses New York State for processing Workers Compensation claims that resulted from the attacks. Provides \$195 million for this purpose.
- Provides an additional \$900 million in the Community Development Block Grant program for economic development in New York City. Includes \$10 million specifically for the tourism industry.

The president's request and the committee's draft of the bill do not include any money for unemployment benefits or workers' compensation. The committee draft provides \$1.5 billion for a nationwide program of emergency grants out of which states could choose to reimburse COBRA-eligible workers for up to 75 percent of their premiums. It appropriates no direct funding for this purpose. The White House and the committee proposals do nothing for the thousands of workers who are ineligible to continue group health coverage through COBRA. Various circumstances, including having worked for company with fewer than 20 employees or a company that has gone out of business, make a displaced worker ineligible under the provisions of COBRA.

"Large companies and investors were hurt by the September 11 attacks and they deserve the government's help," Hinchey added. "But we can't lose sight of the small business owner or individual worker who is now out of a job. They need our help even more. Our amendment would have provided this assistance and would have forced the administration to keep its promise to New York."